

Message Text

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70

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 OMB-01 DRC-01 /087 W
----- 041736

R 051827Z DEC 73

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 6775

C O N F I D E N T I A L SANTIAGO 5961

E.O. 11652: GDS

TAGS: CI, UN, PFOR

SUBJECT: DEBT RESCHEDULING -- DEBTS TO AID

REF: STATE 236398

1. ACTING AIR DIRECTOR AND REPRESENTATIVES OF CONTROLLER'S OFFICE CALLED DECEMBER 4 ON PRESIDENT ARCE OF CHILEAN CAJA DE AMORTIZACION (GOC ORGANIZATION CHARGED WITH PAYMENTS OF EXTERNAL GOVERNMENT TO GOVERNMENT CREDITS). ARCE WAS ACCOMPANIED BY JORGE MARSHALL, COORDINATOR OF EXTERNAL CREDITS IN THE CENTRAL BANK. AID REPS RAISED THE PROBLEM OF DEBTS TO AID PAYABLE IN ESCUDOS.

2. ARCE AND MARSHALL WERE RECEPTIVE TO MISSION PRESENTATION AND INDICATED IMMEDIATE WILLINGNESS TO MAKE PAYMENT OF APPROXIMATELY EIGHT MILLION ESCUDOS REPRESENTING OVERDUE PRINCIPAL AND INTEREST ON LAONS REPAYABLE IN ESCUDOS WITHOUT DOLLAR OPTION.

3. CONCERNING THOSE LOANS PAYABLE IN DOLLARS OR ESCUDOS, AT OPTION OF GOC, MARSHALL INDICATED THAT HE WOULD MUCH PREFER TO TREAT THESE LOANS AS PAYABLE IN DOLLARS AND TO INCLUDE THEM IN THE DEBT RENEGOTIATION PACKAGE. ACTING DIRECTOR INFORMED HIM THAT LIST OF LOANS TO BE RENEGOTIATED HAD NOT, IN THE PAST, INCLUDED LOANS IN THIS CATEGORY, AND THAT U.S. POSITION HAD BEEN THAT THESE LOANS WOULD NOT BE RENEGOTIATED. MISSION HAD NO AUTHORITY TO ENTER INTO
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DISCUSSIONS ON THIS ISSUE. MARSHALL EXPRESSED INTEREST IN HAVING

CHILEAN NEGOTIATORS RAISE THIS ISSUE AGAIN DURING FORTHCOMING
TALKS IN WASHINGTON. DELINQUENCIES ON LOANS PAYABLE IN DOLLARS
OR ESCUDOS AT GOC OPTION AS OF NOVEMBER 30, 1973, WERE AS FOLLOWS:
PRINCIPAL \$U.S. 2,116,566.75; INTEREST \$ 1,529,602.60.

4. DEPARTMENT AND AID MAY WISH TO CONSIDER THIS ISSUE PRIOR
TO ARRIVAL IN WASHINGTON OF CHILEAN REPRESENTATIVES.
THOMPSON

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NNN

Message Attributes

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Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: GS
Errors: N/A
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EO Systematic Review
30 JUN 2005

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